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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590

JUN 1 7 1997

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. William D. Jarosz President The Fansteel Corporation One Tantalum Place North Chicago, IL 60064 EPA Region 5 Records Ctr.

Re: The Vulcan Louisville Smelting Company Site CERCLIS ID# ILD 097 271 563

North Chicago, Lake County, Illinois General Notice of Potential Liability

Dear Mr. Jarosz:

The United States Environmental Protection Agency ("U.S. EPA") has documented the release or threat of release of hazardous substances, pollutants and contaminants into the environment from the above-referenced facility, and is planning to spend public funds to investigate and control these releases. This action will be taken by the U.S. EPA pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq. ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (1986) ("SARA"), unless the U.S. EPA determines that such action will be done properly by a responsible party or parties. Responsible parties under CERCLA include the current and former owners and operators of the facility, persons who generated the hazardous substances, and persons who were involved in the transport, treatment or disposal of the hazardous substances at the facility. Under Section 107(a) of CERCLA, where the U.S. EPA uses public funds towards the cleanup of the hazardous substances, responsible parties are liable for all costs associated with the removal or remedial action and all other necessary costs incurred in cleaning up the facility, including investigation, planning and enforcement costs.

The U.S. EPA has been conducting an Engineering Evaluation/Cost Analysis ("EE/CA") at the Vacant Lot portion of the Site, which is scheduled for completion in early summer 1997. During the first sampling event conducted by the U.S. EPA's contractor in January and February 1997, several soil, sediment, and monitoring well samples were collected. In addition, Geoprobe equipment was used to collect additional groundwater samples around the inside perimeter of the Site (see Figure 1 attached). Monitoring well sample results indicate trichloroethene ("TCE") and 1,2dichloroethene above the maximum contaminant limit ("MCL") concentrations. The TCE results in the groundwater at the Site were as high as 5,000 micrograms per liter (parts per billion or "ppb"), which is 1,000 times the MCL of 5 ppb for TCE. It appears from the U.S. EPA's review of the data, and from a review of the Fansteel facility's background that the TCE in the groundwater at the Vacant Lot parcel is coming from the direction of the Fansteel property. The U.S. EPA also understands that soils contaminated with TCE may still remain at the Fansteel property.

In addition to completing the EE/CA for the Vacant Lot property, the U.S. EPA is currently planning to conduct the following additional actions at the Vacant Lot Site and the Fansteel property:

- a) An EE/CA for the Fansteel property that will identify the nature and extent of the contamination on the Fansteel property, particularly any contamination that may be contributing to the groundwater contamination at the Vacant Lot Site, most notably any potential sources contributing to the contamination of the groundwater with TCE;
- b) As part of the Fansteel EE/CA, expand the investigation of contaminated sediments in Pettibone Creek to determine the nature and extent of any contamination of sediments in Pettibone Creek from the southern-most property line for the Vacant Lot Site to the property boundary of the Great Lakes Naval Training Center ("GLNTC");
- The U.S. EPA has received information that the Fansteel Corporation may have generated or transported hazardous substances that were disposed of at the Site. By this letter, the U.S. EPA notifies you of your potential liability with regard to this matter and encourages you, as a potentially responsible

party, to agree to reimburse the U.S. EPA for costs incurred to date and to voluntarily perform or finance the response activities which the U.S. EPA has determined or will determine are required at the facility. The U.S. EPA is willing to discuss with you the entry of an appropriate administrative consent order under which you would perform or finance response activities and reimburse the U.S. EPA for its costs. If a consent order cannot be promptly concluded, the U.S. EPA may issue a unilateral administrative order under Section 106 of CERCLA, requiring you to perform specified work. Under Sections 106 and 107 of CERCLA, you may be liable for reimbursement of the U.S. EPA's costs, for statutory penalties, and for treble damages for noncompliance with such an order.

Because of the conditions described above, the U.S. EPA believes that response activities at the Site must be initiated as quickly as possible. Therefore, the U.S. EPA does not intend to utilize the special notice procedures available under Section 122(e) of CERCLA.

As a potentially responsible party, you should notify the U.S. EPA in writing within fourteen (14) days of receipt of this letter of your willingness to perform or finance the activities described above and to reimburse the U.S. EPA for its costs. Your response should be sent to:

Beth Henning Guria
Emergency Enforcement & Support Section SE-5J
Superfund Division
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

If the U.S. EPA does not receive a timely response, the U.S. EPA will assume that the Fansteel Corporation does not wish to negotiate a resolution of its potential responsibility in connection with the facility and that Fansteel has declined any involvement in performing the response activities.

Your response should indicate the appropriate name, address and telephone number for further contact with you. If you are already involved in discussions with State or local authorities or involved in a lawsuit regarding this facility, you may

continue such activities as you see fit. This letter is not intended to advise you or direct you presently to restrict or discontinue any such activities already underway; however, you are advised to report the status of those discussions or actions in your response to this letter and to provide a copy of your response to any other parties involved in those discussions or actions.

If you need further information regarding this letter, you may contact Mr. Thomas Krueger of the U.S. EPA Region 5 Office of Regional Counsel at (312) 886-0562.

Due to the nature of the problem at this facility and the attendant legal ramifications, the U.S. EPA strongly encourages you to submit a written response within the time frame specified herein. We hope you will give this matter your immediate attention.

Sincerely yours,

Richard C. Karl, Chief

Emergency Response Branch

cc: Michael J. Mocniak
Registered Agent

Number One Tantalum Place North Chicago, IL 60064

LIST OF PRPS RECEIVING GENERAL NOTICE LETTER

Fansteel Number One Tantalum Place North Chicago, Illinois 60064